

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

Revision Date(s):

Financial Management for Grants

I. PURPOSE:

This Administrative Directive defines and outlines policies with respect to financial management for *grants* administered within the City of San Antonio. *Grants* management policies and procedures, as outlined in this Administrative Directive, have been adopted for uniform application in all departments. These policies and procedures describe the processes for initiation of *master data*, cash management, in-kind support, monitoring, and month-end and year-end procedures in relation to *grants*.

II. POLICY:

It is the policy of the City of San Antonio that City Departments manage *grants* in accordance with federal, state, and local guidelines. The City Departments shall properly account for *grants* in order to ensure timely and accurate billings to the *grantor*. Billings shall be initiated using the City's system of record in order to avoid *grant* deficits and to avoid loss of future funding. This Administrative Directive applies to all departments who initiate and manage *grant* projects for the City.

III. DEFINITIONS:

- A. **Allowable Costs:** As defined by the OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments", costs must be *reasonable* and necessary for performance and administration of award; costs must be *allocable* (goods or services are charged to each cost objective in accordance with benefits received); costs must be *consistently treated* through application of Generally Accepted Accounting Principles (GAAP) (i. e., must be consistently applied as direct or indirect costs); costs must *conform* to laws, regulations, circulars, and *grant* agreements; costs must be *net of credits* that reduce or offset direct or indirect costs (i.e., purchase discounts, rebates, etc) - these refunds must be recorded against the costs that were incurred; and costs must be *documented* in accordance with the OMB Circular A-102 Common Rule for State, Local, and Indian tribal governments.
- B. **Application:** Request for financial support of a project or activity, submitted in a designated format provided by the *grantor*.
- C. **Capital Projects:** Projects that are established to account for the acquisition or construction of capital assets that extend beyond a single fiscal year and the financing sources are provided by one or more specifically designated resources.
- D. **Capitalization Threshold:** The dollar amount that the City elects to capitalize costs as assets.
- E. **Catalog of Federal Domestic Assistance (CFDA):** Federally funded *grants* are assigned specific numbers for reporting purposes. These numbers are provided to

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the City by the *grantor* and are necessary for accurate reporting in the annual Single Audit Reports.

- F. Continuation Grant:** A *grant* the City has received in the prior fiscal year.
- G. Earmarking:** Minimum or maximum amount allocated for certain activities. These are presented by the *grantee* to the funding agency typically upon *application*. These are the percentage or dollar amounts that will be allocated or spent; for instance, 5% on administration, 15% on rural children, etc., are examples of *earmarking*.
- H. Encumbrance:** Unexpended commitments identified as a purchase requisition, purchase order, or a manual *encumbrance*.
- I. Finance:** Finance Department of the City of San Antonio.
- J. Grant(s):** A contract reflecting a relationship between the Federal or State government or private foundation to the City in way of the transfer of money, property, or services in order to accomplish a specified purpose. The money, property, or services granted to the City are legally restricted to expenditures or uses for specified purposes.
- K. Grantee:** City department responsible for the *application*, ordinance process, and day to day management of the *grant's* financial and programmatic needs.
- L. Grantor:** Funding agency or organization awarding money or property to the City for a particular purpose. Typically consists of federal or state organizations, but may also include private foundations.
- M. Internal Service Departments:** City Departments who provide services to external departments. Examples of the *Internal Service Departments* are Administrative Services, Purchasing, Information Technology Services Department, and Human Resources.
- N. Level of Effort:** Specified level of service or expenditures to be maintained each year or not to supplant non-federal funds, but rather to supplement. *Grantors* require the same or increased level of service be provided from previous years. Federal monies received for services should not be used by the City to replace regularly budgeted funds for services, but to increase services provided to the community.
- O. Liquidation Period:** The period immediately following the end of the performance period. During this period new obligations may not be incurred and old liquidations must be removed or paid.

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- P. Master Data:** Basic structures in *SAP* which are used to account for *grant* transactions. *Master data* includes internal order, *grant period of availability*, the *grant* close out period, *CFDA* number, etc.
- Q. Matching:** Costs incurred in the *grant* that is not borne from the *grantor*; the City's or required *subgrantee's* contribution in time or dollars towards the *grant*.
- R. Modified Accrual:** Costs that are measurable and available.
- S. Period of Availability:** Period of time in which a *grant* is active and dollars will be reimbursed from the *grantor*. Services performed outside the *period of availability* are not reimbursable.
- T. SAP:** City's financial accounting system. *SAP* is the City's system of record. All financial *grant* reporting must be derived from *SAP* directly. Shadow systems or stand alone Excel spreadsheets are not permissible for proper *grants* financial management.
- U. Subgrantee:** An entity that the *grantee* passed through a portion or all of the day to day operations of the *grant* for a specified time and dollar amount.
- V. Tracked Property:** Any asset purchased from *grant* funds that are not capitalized. All assets procured with *grant* dollars shall be considered *tracked property*.

IV. POLICY GUIDELINES:

- A.** All City departments who receive federal, state, or local *grant* monies shall conduct *grant* management duties in compliance with the rules and guidelines set forth by this Administrative Directive, OMB Circular A-133 for federal funding, *State of Texas Single Audit Circular* for state funding, and any applicable provisions of the *grant* contract with the *grantor*, such as Advisory Circulars or other pronouncements.
- B.** All City departments administering *grants* shall maintain, review, and update their respective departmental policies and procedures in relation to *grants* management to assure compliance with this Administrative Directive. Any deviation(s) from this Administrative Directive must be approved in writing by the *Finance* Department Director or designee.
- C.** City personnel shall consult with both their Department Head as well as with the Intergovernmental Relations Department, or future department managing issues as disclosed in Attachment A, prior to preparing a *grant* proposal. After approval has been granted to apply, Departments must follow the "*Grants* Ordinance Process Guidelines", issued by the Intergovernmental Relations Department. (See Attachment A).

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- D. **Master data** will only be created for new **grants** upon written receipt of award from the **grantor**. **Master data** for **continuation grants**, or those received in prior fiscal year(s), will be created upon request. However, if **grant** is not renewed, **Grantee** will be required to find another source to fund expenditures immediately upon receipt of denial of grant award.
- E. **Grant** deficits are not acceptable and must be addressed immediately. The **Finance** Department will monitor, as a top level control, to view for **grants** with deficits on a monthly basis. **Grantees** will be notified of said deficits. Deficits that remain in a **grant** internal order will be moved to the **Grantee's** operating budget if action is not taken within ten (10) business days of notice from **Finance**.
- F. The City may receive funds from **grants** in advance of paid expenditures. In all cases, **grantee** must obtain written permission from **grantor** to predraw funds. The time requirement for when these advance funds must be spent and paid for varies by **grantor**. In all cases, **grantee** should receive in writing from the **grantor** the time period in which funds received in advance must be spent. **Grantees** are required to track the number of days beyond the **grantor's** time period in which funds predrawn are available and when they are ultimately paid. The days and available amounts are to be provided quarterly to **Finance** Department, Controller. **Grantees** whose grants holds surpluses recorded in SAP at year end must have written permission from **grantor** as documentation for advance to be presented to auditors.
- G. All **grants** have specific contract provisions, laws, regulations, or rules that must be adhered to. Most Federal **Grants** must follow certain compliance requirements. These requirements relate to activities allowed or unallowed; **allowable costs**; cash management; Davis-Bacon Act; Eligibility; Equipment and Real Property Management; **Matching, Level of Effort**, and **Earmarking; Period of Availability**; Procurement and Suspension and Debarment; Program Income; Real Property Acquisition; Reporting; Subrecipient Monitoring; and Special Tests and Provisions. These requirements are described in further detail in this Administrative Directive and in the OMB Circular A-133. All departments who receive federal funds shall obtain a copy of the then-current OMB Circular A-133 Compliance Supplement to review. This Supplement is revised annually and includes general and specific requirements for Federal **grants**. **Grantees** are responsible for adhering to their specific **grant** requirements, from federal, state, and private sources.
- H. **Grantees** must draw funds on their specific **grants** for incurred and paid expenditures not less than every 30 (thirty) days, unless prohibited by the **grantor**. The General Fund will float **grant** expenditures up to thirty days, maximum. Constant monitoring of **grants** and draws by the **grantees** will support sound cash management practices and mitigate the possibility of incurring grant deficits due to funds not being drawn in a timely manner. Dated downloads or hard copies of financial data generated from SAP will be retained for documentation to support draw requests. Dollars must be deposited into a grant fund at all times.

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- I. Reporting to *grantors* shall be submitted timely and accurately. All financial numbers submitted on the reports will be obtained through use of *SAP*. Dated downloads or hard copies of financial data will be retained for documentation to support submitted reports.
- J. *Grantees* are responsible for reviewing and responding to any request from a *grantor* regarding overpayments. These issues will be dealt with within 5 business days to prevent vendor hold.
- K. In cases of extraordinary circumstances, the Office of Emergency Management of the Fire Department will coordinate with key departments. Specific accounting internal order information will be created and distributed to the relevant departments to provide service for extraordinary circumstances.
- L. Internal service charges will be coordinated by *Internal Service Departments* and *Grantees*. Documentation of charges shall be provided to *Grantees* upon request. *Grantees* will provide accurate accounting information to the *Internal Service Departments*. *Finance* will notify the *Internal Service Departments* upon creation of new internal orders and of their expiration dates.
- M. *Grants* that fund salaries must be coordinated by the *grantee* with the Human Resource Department and the Office of Management and Budget. Position numbers must be changed to reflect new cost distribution immediately when the new *grant* availability period begins.
- N. Monitoring visits will be communicated to the *Finance* Department, Controller, by the *Grantee* in form of written notification. Dates of entrance and exit conference will be communicated to the *Finance* Department, Controller, to ensure *Finance* representation at the meetings. Copies of final reports generated will be forwarded to *Finance* Department, Controller. Reviews, audits, or any other similar type engagement by *grantor* agencies or other entities must be forwarded to *Finance* Department, Controller, immediately upon receipt. Responses to such engagements must be coordinated with the *Finance* Department, Controller, prior to release to *grantor* agency.
- O. Corrective action plans relating to reviews, audits, or any other similar type engagement, whether initiated from the Single Audits or from *grantor* monitoring visits, shall be implemented immediately. Proper documentation shall be maintained to provide to auditors on subsequent visits. *Grantee* personnel shall be fully briefed on these new procedures.
- P. Capital assets procured with *grant* dollars shall be capitalized if above City's *capitalization threshold*. If asset purchase is below City's *capitalization threshold*, asset shall be considered *tracked property*. *Grantee* must identify this purchase as such in the *SAP* system.

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Q. *Grantee* personnel are required to provide to the ***Finance*** Department, Controller, copies of all summary ***grant*** award notices and amendments.

V. **RESPONSIBILITIES:**

A. ***Grantees*** shall:

1. Directors and Assistant Directors of ***grantee*** departments are responsible for the programmatic and all fiscal activities relating to their respective grants.
2. Monitor their ***grants*** not less frequently than monthly to ensure charges are valid and deficits are not incurred.
3. Ensure that any external reports due to ***grantors*** are submitted timely and accurately.
4. Ensure that dollars reported to the funding agencies are compiled through ***SAP***, the City's system of record, and that shadow systems and Excel spreadsheets are not utilized for financial reporting.
5. Be responsible for funding any deficits in ***grants*** through their operating budget or alternate sources in a timely manner.
6. Notify ***Finance*** Department, Controller, when ***Grantor*** requests a monitoring or financial audit on their ***grant*** immediately upon receipt of notification.
7. Timely initiate any corrective action plan relating to any findings reported in the City's annual Single Audit reports or the ***Grantor*** reports.
8. Create Sales Orders prior to drawdown, and view monthly accounts receivable report to ensure cash has been properly applied.
9. Communicate to ***Finance*** Department any budgets that are eligible for carryforward.
10. Ensure any communication from the ***grantor*** is handled quickly and accurately, particularly in cases where failure to respond will result in vendor hold.
11. Have trained a minimum of 2 (two) individuals on financial reporting to external agencies in case the primary individual is not available.
12. Provide accurate accounting information to internal service funds for billings and park in-kind entries for posting by ***Finance***.
13. Ensure all ***matching, level of effort, and earmarking*** requirements are wholly recorded.

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14. Provide full and accurate information upon initial creation of *master data*.
15. Provide full and accurate information upon notification of changes issued by the *grantor* to properly update the *master data*.
16. Ensure applicable payroll certifications are properly executed.
17. Follow Attachment B, "*Grants Checklist*", from beginning to end of *grant*.
18. Ensure all fiscal personnel in *Grantee* have attended *Grant* training relating to this Administrative Directive and to submit copy of signed acknowledgement form to *Finance* Department, Controller. (See Attachment C).

B. Finance Department shall:

1. Act as the top-level control and oversight for all *grants*.
2. Communicate to *grantees* on deficits that are found.
3. Communicate to *grantees* on charges incurred outside of availability period.
4. Park entries relating to flex benefit contributions, workers' compensation, and liability assessments for *grants*.
5. Manage the Single Audit processes.
6. Prepare monthly *grant* financial reports for presentation to the City Manager's Office.
7. Communicate to *internal service departments*' new internal orders and their respective *period of availability* dates.
8. Retain administrative responsibility for this Administrative Directive.
9. Manage the locking and unlocking of *grant* internal orders.
10. Assist in reminders relating to external financial reporting.

C. City Attorney's Office shall:

1. Provide legal advice to City Departments regarding *grant* related issues.

D. Office of Management and Budget shall:

1. Provide guidance to departments on the availability and eligibility of operating funds identified by departments to be used for *grant* deficits or overruns.

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2. Provide guidance relating to *matching* requirements as identified in the operating funds.

E. Internal Service Departments shall:

1. Bill *grants* for charges within 5 working days after month end for charges incurred.
2. Provide relevant and accurate documentation regarding billing upon request of *grantees* or auditors in reasonable amount of time.
3. Authorize, when documentation of charges cannot be provided, that revenue and expenditures will be reversed from the Internal Service Fund and *grant* funds until proper and relevant documentation is produced.

F. Office of Emergency Management shall:

1. Notify *Finance* Department for *master data* creation in case of extraordinary circumstances.
2. Notify external City departments of financial data upon creation.
3. Coordinate with funding agencies and notify external City departments of *allowable costs*.
4. Report timely and accurate financial data to the funding agency.
5. Coordinate any external audit relating to disasters with funding agencies and auditors.

VI. CONTROLS:

A. Grant Initiation

1. Prior to preparing *grant* proposal and *application*, *Grantee* personnel will coordinate with *grantee's* Department Head and Intergovernmental Relations Department.
 - a. Meeting will facilitate the processes of both applying for the grant and for conducting proposed project.
 - b. *Grantee*, with early consultation with Intergovernmental Relations Department, will be provided appropriate guidance on proposed *grant* submission.

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- c. Various factors shall be considered prior to **grant** proposal. **Grantee** must consider project goals and objectives, staffing requirements, and **matching** fund obligations.
2. Once departmental approval has been obtained, all policies and procedures detailed in the “**Grant** Ordinance Process Guidelines” (Attachment A), shall be followed and adhered to. “**Grant** Ordinance Process Guidelines” and any subsequent revisions shall be considered an integral part of this **grants** management Administrative Directive.

B. **SAP Master Data**

1. New **Grant** Awards
 - a. **Master Data** for new **grant** awards will not be created until official notification of award is received from the **grantor**.
 - i. Acceptable means of award notification include letter, fax, or e-mail from **grantor**. Notification must be in writing.
 - ii. “**Grant** Internal Order Request Form”, (Attachment D) and on COSAWEB, will be completed and forwarded to **SAP** Financial Maintainer. All information requested must be submitted or request will be rejected.
 - iii. Proof of award must be submitted to **Finance** Department, General Ledger Section, prior to new **master data** being created.
 - iv. **Finance** will approve creation and departments may begin spending on new **grant** when availability period begins.
2. **Continuation Grant** Awards
 - a. **Grants** that the City have received in the prior fiscal year(s) are considered **continuation grants**.
 - i. **Master Data** for **continuation grants** will be created upon approval by Council for **application**.
 - b. Charges that are to be reimbursed by new **grant** shall be coded to new **master data**.
 - c. “**Grant** Internal Order Request Form” (Attachment D) must be filled out by **grantee**. Additional documentation may be requested by **Finance**, and shall be provided, that request is for a **continuation grant**; prior year order will be required.

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- d. Department will track charges in new internal order to ensure *period of availability* is adhered to.
 - i. If *grant* is not awarded, charges in new internal order(s) must be moved by *grantee* to an alternative and eligible funding source. If charges are not moved within ten (10) business days, *Finance* will move charges to *grantee* department's operational budget.
- e. If *grant* award amount is subsequently reduced, charges in the new internal order(s) must be moved to department's operational budget. If *grant* award amount is subsequently increased, *grantee* must notify *Finance* Department, Controller, so that budget will be revised in SAP.
- f. *Grantee* must coordinate with *Finance* and the Office of Management and Budget any changes in budget and plans for resolving any shortfalls. However, the *Grantee* is solely responsible for resolution of deficits.
- g. If the period of availability of a *grant* award is changed by the *grantor*, the *grantee* is responsible for notifying the *Finance* Department, Controller, of this revision in a timely manner.

C. Activities Allowed or Unallowed

- 1. Activities allowed or unallowed are unique to each federal, state or local program.
 - a. Found in laws, regulations, and provisions of contracts and *grant* agreements.
 - b. Awards shall only be expended for allowable activities.
 - c. Failure to expend funds for allowable activities may result in adverse findings and dollars may have to be reimbursed to *grantor*.
 - d. Unallowed costs must be moved by *grantee* to an alternative funding source upon notification of unallowed expense. *Finance* will move deficit unallowed costs to the *grantee* department's operating budget within one month of deficit charge if no action is taken.

D. Allowable Costs/Cost Principles

- 1. *Grantees* must only budget for and expend dollars that are allowed under the *grant*, to include direct and indirect costs.
- 2. Indirect Costs
 - a. Costs that benefit common activities

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- i. Predetermined Rates
 - ii. Fixed Rates
 - iii. Provisional Rates
- b. Office of Management and Budget coordinates the indirect cost allocation plan.
- c. Not all **grants** allow indirect cost charges.
- d. Auditors and **grantor** may require documentation regarding calculation.
3. City has flex benefit, workers' compensation, liability charges and information technology assessments.
 - a. **Grantee** responsible for budgeting within **grant**, if allowed.
 - b. These assessments are considered indirect costs for human resource and technology support for **grant**.
 - c. If not budgeted, these assessments will not be processed against the **grant**.

E. Cash Management

1. Majority of **grants** are reimbursement **grants**; therefore, entity must have paid program costs prior to request for reimbursement.
 - a. Auditors test timing of disbursements in relation to draw dates.
2. When funds are advanced, City must comply with applicable regulations from the **Grantor** as each agency is different.
 - a. These include minimizing time elapsing between receipt of funds and disbursement of funds for expenditures.
 - b. If funds are submitted to a subrecipient, City must monitor that same timing requirements are adhered to.
 - c. If interest was earned on advances, proper reporting and remittance instructions must be followed in accordance with the specific **grant** agreement.

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3. Sales orders must be recorded into **SAP** prior to **grant** drawdowns.
 - a. If draw is electronic and system has an available field, **Grantee** Department will note the City Sales Order number. This will enhance tracking and **matching** capability of incoming wires.
 - b. Departments must populate **Grant** Manager Partner Number in sales order with "12696". Failure to do so will generate a message in **SAP** that document is not complete. These sales orders will be forwarded to "**Finance Grants**" mailbox.
 - c. Monthly financial reporting on **grants** will create deficits in **grants** if sales orders are not properly initiated and recorded. **Finance** Department will contact **Grantees** when deficits are identified in **grants**.
 - d. Draws that are initiated for multiple program years require the sales orders to indicate proper internal order distribution.
 - e. **Grantee** department is responsible for drawing funds on a timely basis, at a minimum of every 30 days, or as allowed by **grantor**. However, in no case shall a **grant**, excepting **grantor** requirements, operate without minimum of monthly draws.

F. Davis-Bacon Act

1. Laborers employed by contractors or subcontractors that work on projects which receive federal funding must be paid wages not less than the prevailing wage rates as determined by the Department of Labor.
2. All City **capital projects** with construction must adhere to Davis-Bacon Act provisions and include the required prevailing wage rate clauses in the contract.
3. Contractors or sub-contractors are required to submit weekly to the City a copy of the payroll and a statement of compliance for each week in which any contract work is performed.
4. All City construction projects, whether federally funded or not, must adhere to Davis-Bacon.
 - a. Department issuing request for proposals must advise in writing that the City requires adherence to the Davis-Bacon Act.
 - b. In pre-proposal conferences, communicate requirements for adherence to the Davis-Bacon Act.

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- c. At pre-construction meeting after the construction company is hired, invite Capital Improvements Management Services' Wage and Hour Office to entrance meeting to obtain written confirmation that contractor understands requirements relating to Davis-Bacon Act.
- d. Prior to releasing final payment to contractor, **Grantee** shall contact Wage and Hour Office to ensure that contractor has complied with the Davis-Bacon Act.
 - i. Any non-compliance will prevent final payment from being released until rectified.
- e. Attached is Davis-Bacon checklist to ensure contractor's compliance with Davis-Bacon. (See Attachment E).

G. Eligibility

- 1. Eligibility requirements are unique to each **grant** – stated in the laws, regulations, and provisions of the **grant** agreement.
- 2. City is required to keep documentation relating to how eligibility determinations are made, which may include:
 - a. Income eligibility for participants.
 - b. Residential eligibility for participants.
 - c. Age eligibility for participants.
 - d. Any other eligibility requirements as stated in the **grant** contract.
 - e. Proof that subawards were made only to eligible subrecipients.
 - f. Proof that any calculations for amounts provided to, or on behalf of eligible parties, were calculated in accordance with program requirements.

H. Equipment and Real Property Management

- 1. Regulations exist for assets purchased with federal and state funds.
- 2. Assets purchased over City's **capitalization threshold** will be capitalized upon purchase.
 - a. Title to equipment and real property acquired with Federal funds vests with the City. Title for State funded purchases relating to equipment and real property will be communicated by **grantor** in **grant** contract.

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- b. Equipment must have useful life of more than one year.
 - c. Asset cost must exceed \$5,000 per unit (City's current *capitalization threshold*).
3. Lower dollar limits for tracking capital asset may be established by *grantor*.
- a. These asset purchases must be tracked using the City's *tracked property* program.
 - i. Upon receipt of *tracked property*, asset shell is created (asset class is TP9000) using transaction AS01.
 - ii. Check "Include Asset in Inventory List" under general tab in AS01 transaction.
 - iii. Any asset procured with *grant* funds must be tracked regardless of dollar amount if it is a tangible physical item with a useful life greater than one year.
4. Other requirements for federal and state capital *grant* purchases:
- a. Equipment and real property must be used in the program for which it was acquired.
 - b. Control system must be in place to safeguard asset and equipment shall be adequately maintained.
 - c. Equipment records must be adequately maintained and a physical inventory of equipment must occur at least once every two years unless an alternate length is specifically noted in *grant* Compliance Supplement. Inventory observations must be reconciled to equipment records, with changes made to records as needed.
 - d. Awarding agency may consent to asset being used in another program, but written permission must be obtained prior to use.
 - e. If equipment/real property is sold, *grantor* may have a right to recover dollars from sale.
 - i. *Grant* funded capital assets that are sold must be communicated to General Ledger, Fixed Assets in memo form within 5 working days of sale.
 - ii. Disposition instructions must be obtained from *grantor*. Receipt and deposit of dollars shall be in accordance with *grantor* regulations.

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I. *Matching, Level of Effort, Earmarking*

1. Specific requirements for *matching*, *level of effort*, and *earmarking* are unique to each *grant* and are found in the *grant* agreement and Compliance Supplement.
2. *Matching* criteria:
 - a. Are necessary and reasonable for program.
 - b. Are documented and able to be verified.
 - c. Are not included as contributions of any other federal or state program, unless specifically allowed by specific *grant*.
 - d. Are not paid with funds from *grant* award, unless specifically allowed by *grantors*.
 - e. Are included in the *grant*'s budget.
 - f. Department is responsible for initiating match journal entry in SAP.
 - g. Department is responsible for adhering to match requirements and procedures required in individual *grants* awarded.
 - h. Excess match dollars, if allowed, can be encumbered and moved to the following *grant* year.
 - i. Are allowed under the applicable cost principles.
 - j. Order of revenue draws relating to matches, in the event of multiple fundings, are to be incurred in the following order: grants, contributions from other agencies, general obligation or certificate of obligation debt, and operating funds.
3. Dollars matched from general obligation or certificate of obligation debt may be used if *grant* purpose was originally identified in sale of bonds
 - a. Final determination will be from Financial Management, *Finance* Department.

J. *Period of Availability*

1. *Grant* agreement specifies time period in which *grant* funds will be expended.
 - a. Some *grants* allow unexpended dollars to be carried into subsequent awards. *Grantee* department must provide deobligations to *Finance* so

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- budget is properly reduced. In new *grant* budget, *grantee* must allocate carryforward to proper general ledger line item for loading by *Finance*.
- b. Expenditures must have been obligated prior to *grant* close.
 - c. *Grantee* may not encumber or order supplies after *grant* end date.
 - d. *Grantee* may only expend funds on items obligated prior to *grant* end date during the close-out period (as specified in *grant* contract).
 - e. Accounting system will block new purchase orders or requisitions from processing during *grant* close-out period.
2. Charges incurred outside of *grant period of availability* will be disallowed. *Finance* will notify *grantee* and will move deficit to *Grantee's* operating budget if no action is taken within ten (10) business days of notice.
 3. *Finance* will lock internal orders after close-out period has ended.
 - a. Orders will not be opened unless proof of extension is provided to the *Finance* Department, whereupon *master data* will be updated.
 - b. Requests for orders to be opened must initiate from either the *Grantee's* Fiscal Planning Manager or the Fiscal Operations Manager. Requests for opening orders from other sources will not be honored.

K. Procurement, Suspension, and Debarment

1. Procurement
 - a. States and governmental subrecipients of states must use State policies and procedures used for procurements from non-Federal Funds.
 - i. City must ensure purchase orders or other contracts include any clauses required by Federal statutes.
 - b. City will use its procurement procedures for non-State monies.
 - i. Procurement procedures must conform to federal law and regulations.
2. Suspension and Debarment
 - a. City may not contract with or make subawards to parties that are suspended or debarred, nor their principals who are suspended or debarred.

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- b. Verify suspension or debarment status by checking the *Excluded Parties List System (EPLS)* or obtaining certification from the entity that they are not suspended or debarred.
- c. Department must obtain and hold documentation that the EPLS was checked or provided certification before contract/subaward was granted.
- d. Purchasing Department will validate suspension or debarment for contracts over \$3,000. **Grantees** are responsible for contracts below \$3,000. These dollar amounts are subject to change. **Grantees** should monitor Administrative Directive 1.6, "Basic Procedures Regulating Purchases of Materials or Services".

L. Program Income

1. If program income is applicable, each **grant** provides direction on how program income may be used. Program income includes:
 - a. Income from fees or services performed.
 - b. Use or rental of real property acquired with **grant** funds.
 - c. Sale of commodities or items originally purchased from **grant** funds (excluding sale of equipment or real property).
 - d. Payments of principal and interest on loans made with **grant** funds.
2. Program income received must be deposited daily in the City's depository bank.
3. Sales orders for the program income must be initiated in the **SAP** system within one business day of deposit.
4. Income must be deposited into proper general ledger in **SAP** for recording purposes.
5. **Grantees** are responsible for providing documentation relating to program income to auditors and **grantors**. The income may be used in one of three methods: deducted from outlays, added to the program budget, or used to meet **matching** requirements. The **grantee** must follow guidelines contained in the **grant** contract.

M. Real Property Acquisition and Relocation Assistance

1. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 provides for uniform and equitable treatment of people displaced by federally-assisted programs from their homes or businesses.

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

Financial Management for Grants

Revision Date(s):

- a. Property acquired must be appraised by qualified independent appraiser.
- b. Appraisals must be examined by a second appraiser for acceptability.
2. Federal requirements govern determination of payments for:
 - a. Replacement housing assistance
 - b. Rental assistance
 - c. Down payment assistance
 - d. Moving expenses

N. Reporting

1. **Grants** establish various reporting requirements to ensure goals are being met
 - a. Financial Reports
 - b. Performance Reports
 - c. Special Reporting
2. Financial Reports
 - a. Typically due quarterly to **grantor**.
 - b. Dollars for expenditures incurred on **grant** must tie to **SAP**.
 - c. Reports must be filed timely or funds will be held.
 - d. Auditors will use quarterly reports to tie to annual filings.
 - e. Financial Status Reports (FSR) is most common report.
 - f. Federal Cash Transaction Report (SF-272) is also used for some **grants**.
3. Performance Reports
 - a. Typically due annually, but some may be due quarterly.
 - b. Compares goals established versus actual accomplishments for **grant** period.
 - c. Details why goals were not met, if applicable.

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

Financial Management for Grants

Revision Date(s):

- d. Can include information on cost overruns, if applicable.
- 4. Special Reporting
 - a. Other reports as required by *grantor*.
- 5. Reports and the dates the reports are due to the *Grantor* are required in submission of *master data*.
 - a. Will assist department in ensuring timely submittal of reports.
 - b. Will prevent City from vendor hold status.
 - c. Financial numbers entered on reports MUST tie to *SAP*.
 - i. *Grantee* must acquire *SAP* documentation in case of future audits.
 - ii. Financial report numbers must only be created from *SAP* data; excel or “off shelf” systems are not compliant.
 - d. Dated downloads or hard copies of supporting documentation used to generate financial reports are to be retained with a copy of the submitted report. Financial reports to *grantors* must only be prepared after month is closed in SAP unless approved by the *Finance* Department Controller.
- 6. *Grantee* must have backup personnel in case primary person is not available for reporting function.
 - a. Proper training must have occurred to ensure data integrity.

O. Subrecipient Monitoring

- 1. City provides funding to subrecipients on numerous *grants* and is responsible for:
 - a. Award Identification
 - i. Provide *CFDA* title and number, award name, etc to subrecipient.
 - b. During the award monitoring
 - i. Monitor subrecipient’s use of Federal funds to ensure proper use, to include use reporting, site visits, regular contact, other means, and monitoring must be documented.
 - c. Subrecipient Audits

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

Revision Date(s):

Financial Management for Grants

- i. City must ensure that subrecipients expending \$500,000 or more in total Federal dollars have a Federal Single Audit completed within 9 months of the subrecipient's fiscal year end.
 - ii. City must issue management decision on audit findings within 6 months of receipt of subrecipient's audit report.
 - iii. City must ensure proper and timely corrective action is initiated and completed by subrecipient on all audit findings.
- d. Pass-through Entity Impact
- i. City must evaluate subrecipient's activities on its ability to comply with Federal regulations.
- e. A checklist for subrecipients is included in (Attachment F) this administrative directive. This completed checklist must be retained by **grantee** to prove compliance for subrecipient monitoring.

P. Special Tests and Provisions

1. Individual **grants** may have special tests and provisions that need to be tested.
 - a. Auditor will test as part of Single Audit.
 - b. Tests and provisions are typically specified in the **grant** contract or Compliance Supplement.

Q. Refunds

1. **Grantor** may contact **Grantees** requesting refund for prior overpayment.
 - a. **Grantee** must address possible overpayments promptly.
 - b. Failure to respond may result in vendor hold or more substantial consequences and actions.
2. In cases of overpayment, request for payment shall be coded to general ledger "Refunds to **grantor** agency".
3. In cases where overpayment exceeds amount available in **grant** internal order, **Grantee** shall research and communicate to **Grantor**. Upon completion of research and **grant** is now in deficit, **Grantee** is responsible for funding deficit from **grantee** department's operating budget.

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

Revision Date(s):

Financial Management for Grants

R. Internal Service Fund Charges

1. The City has departments that provide services to City departments, including *grantees*. The recipients (including *grantees*) of these services reimburse the internal service funds for the value of the provided services.
 - a. These internal services include services for fleet, procurement, employee benefits, and information technology services.
 - b. Proper internal order information must be provided to Administrative Services and Information Technology Services Department by the *grantee*, to permit quick and accurate billing.
 - i. Information on *grants* start and end date must be provided to the Administrative Services and Information Technology Services Department by *Finance*.
 - c. In case of improper accounting information submitted to Internal Service Funds, the ISF staff will communicate with *Finance*, General Ledger, *Grants* Accountant to obtain accurate accounting information.
 - i. *Finance Grants* Accountant will communicate with *Grantee* Department to ensure proper accounting data is submitted.
 - ii. In cases where *Grantee* Department is requesting backup for charges and backup is not provided, those charges will not be assessed until proper documentation is provided.
 - iii. Charges billed after *grant* availability period have expired will not be permitted to be billed to *grant* when error is due to delay in billing.
 - iv. In cases where *Grantee* Department is not refuting the charges but fails to provide accounting information within a 24 hour period from request, the Internal Service Fund will assess charge to *Grantee's* Operating Funds, in the Director's Office.
 - v. Service Level Agreements will be initiated between *Grantee, Finance*, and the Information Technology Services Funds.
 - d. For Flex Benefits, Workers' Compensation, and Liability assessments, *Finance* will park and post journal entry assessing the Flex Benefit charges to the appropriate *grant*.
 - i. *Finance* Department, Financial Reporting *Grants* Accountant will review *grants* to ensure charges are posted to *grants*.

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

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Financial Management for Grants

- ii. This charge must only be assessed if *grant* positions are filled and if assessment is budgeted.

S. *Grantor* Monitoring

1. *Grantor* may contact *Grantee* to initiate a monitoring or financial audit of *grant*.
2. Upon notification of such events, the *Grantee* must send copy of letter or e-mail to *Finance* Department, Controller.
3. Information regarding time and date of entrance and exit conference must be communicated to *Finance*.
4. Final reports and *Grantee's* responses (corrective action) must be submitted to the *Finance* Department, Controller.

T. *Grant* Closing Processes

1. *Grantee* shall populate requested information in *Grant* Checklist, Attachment B to this Administrative Directive.
2. All purchase orders, purchase requisitions, and *encumbrances* shall be closed by *grantee* not later than the end of *grant* close out period.
3. At end of *grant* and after final report has been submitted to *grantor*, Fiscal Planning Manager or Fiscal Operations Manager in *grantee* department shall certify that all pertinent steps as outlined in the *Grant* Checklist have been fully completed.

U. Extraordinary Circumstances

1. The Office of Emergency Management, Fire Department, will communicate with the *Finance* Department when an extraordinary circumstance arises. These include acts of terrorism, flooding, winter weather, hurricanes, and other man-made or natural disasters.
2. *Finance* will create internal orders for tracking costs for each department providing emergency services during the extraordinary circumstance, as dictated by the Office of Emergency Management. These orders will be also communicated to the affected City departments by the Office of Emergency Management.
3. The Office of Emergency Management will communicate to each City department functioning during the disaster what *allowable costs* are. Only allowable costs for the specific disaster will be charged to the orders. Dollars

ADMINISTRATIVE DIRECTIVE 8.10

Effective Date: 03/01/08

Revision Date(s):

Financial Management for Grants

not allowed will be moved to a type 4 (statistical) order created and requested by individual departments.

This directive supersedes all previous correspondence on this subject. Information and/or clarification may be obtained by contacting the Finance Department, Financial Reporting at 207-8644.

Recommended by:

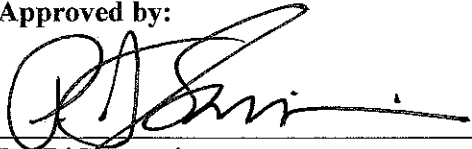


Ben Gorzell Jr., CPA
Finance Director

1/25/08

Date

Approved by:

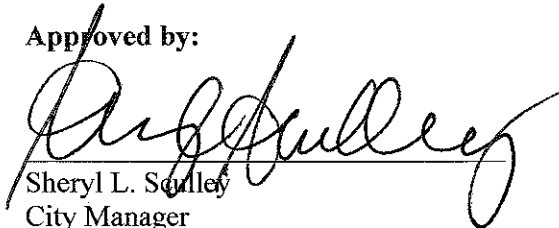


Pat DiGiovanni
Deputy City Manager

1/25/08

Date

Approved by:



Sheryl L. Sullley
City Manager

1-25-08

Date



CITY OF SAN ANTONIO

EMPLOYEE ACKNOWLEDGMENT FORM FOR

ADMINISTRATIVE DIRECTIVE 8.10 Financial Management for Grants

Employee:

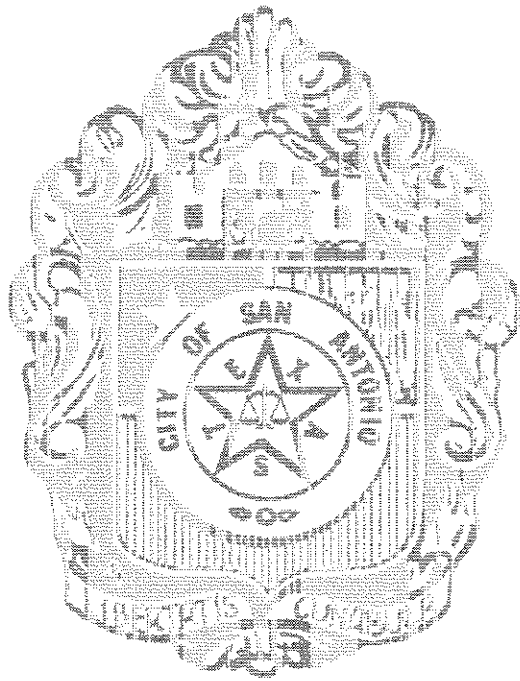
I acknowledge that on _____, 20____, I received a copy of Administrative Directive 8.10, Financial Management for Grants. I understand if I should have any questions I should contact my Human Resources Generalist.

Employee Name (Print)

Department

Employee Signature

SAP ID #



CITY OF SAN ANTONIO

GRANT ORDINANCE PROCESS GUIDELINES

APRIL 2007

The Ordinance Process

One extremely important part of the grant process is submitting a "Request for Council Action (RFCA)" to authorize the submission of a grant application and to accept a grant award. All grant applications must be approved by City Council before submission. The following details will provide a comprehensive explanation of why this is necessary and how to accomplish the ordinance process.

Grant Application Submission

Each department must have an RFCA prepared to authorize submission of a grant application once a department has decided to pursue a grant. The City Charter states that "the City may contract and be contracted with....no contract shall be made or authorized, nor any money appropriated without a written ordinance." In many cases, the grant application itself serves as a form of a contract. Therefore, City Council must approve grant applications. In order to ensure adequate time to complete the RFCA process, a detailed timeline is provided with notations of required coordination. (See pg. 8)

Non-Lead Grant Projects

Departments collaborating with external entities in a partnership capacity and that will not submit an application as the lead grantee need not submit request for authorization to apply. However, upon notification of grant award from partner entity departments must request approval to accept any funds and/or enter into contract.

Review Process

Key milestones in the review process include:

- Department Review (internal coordination)
- Inter-departmental Review (all departments involved in review)
- Management Team Review (City Manager, Deputy/Assistant City Manager)
- Agenda Review Meeting (final review before City Council Meeting)
- City Council Presentation ("A" or "B" session)

Timeline

To meet Management Team and grant application deadlines, staff responsible for preparing the grant application must do initial research and data collection at least five weeks before an RFCA is submitted into the Request for Council Action System. As coordination with department staff is occurring, the grant originator must also coordinate with the Intergovernmental Relations Department, Office of Management and Budget, Finance Department, City Attorney's Office, City Manager's Office and other departments impacted by the grant application.

Special Category Grant Opportunities

There are certain grants that may meet the criteria for this special category. Grants in this category may be submitted for authorization via the process defined below. Grant opportunities submitted via this process will undergo a comprehensive review. The following conditions will be considered for the *Special Category Grant Opportunity* authorization process:

Short Term Application Deadlines

- Grant opportunities when there are 30 days or less between the solicitation date and deadline to apply.
 - **NOTE:** Upon notification of award departments must follow the grant *Ordinance Process Guidelines* to request authorization to accept award funds and execute contract.

Short Term Grant Renewal and Extension Applications

- Grant application renewals and extensions when the time frame for submission to renew or extend grant is 30 days or less.
 - **NOTE:** These grant projects must have previous City Council approval.

Funding Increases

- Supplemental funds made available by granting agencies to increase existing funded projects that require requests to be submitted within 30 days or less by grantor.
 - **NOTE:** These grant projects must have previous City Council approval.

Authorization Process:

STEP 1

- Department Head or designee will submit a *Special Category Grant Opportunity* (SCGO) authorization form (attached) to the Intergovernmental Relations Department (IGR).

STEP 2

- IGR will review, document and approve for submission. IGR will complete a full evaluation within five (5) business days. If approval is granted IGR will return form to Department for further processing. Upon necessary evaluation if an approval is not granted IGR will initiate dialogue with respective department.

STEP 3

- Department Head or designee will forward form to the Office of Management and Budget (Budget Analyst) for approval. Departments are responsible for communicating and coordinating with the Office of Management and Budget throughout this process.

STEP 4

- Department Head or designee will submit form to the appropriate Management Team Member for final approval (City Manager, Deputy/Assistant City Manager).

STEP 5

- Once all authorizations have been received Departments shall send the original document to IGR for documentation purposes. Departments may keep a copy for their files.

STEP 6

- Complete and submit required documentation and supporting documents to granting agency.

IMPORTANT:

Upon awarding of grant funds Department Head or designee shall promptly submit an RFCA to request authorization to accept grant funds and execute contract, as per the *Grant Ordinance Process Guidelines*.

NOTE:

Department personnel may proceed with preparation of proposed application to preclude delays during (SCGO) authorization process.

CITY OF SAN ANTONIO
Special Category Grant Opportunity

SUBMISSION AUTHORIZATION REQUEST

Instructions:

Submit this completed form to the Intergovernmental Relations Department. Only grant proposals with a solicitation timeline of 30 days or less may be submitted for authorization via this track.

Grant Title:	
Grantor: (Agency name)	
Grant Category: (New (new funds/project to COSA); renewal; funding increase; other- explain)	
Solicitation Date:	
Due Date:	
Grantee: (Department submitting)	
Project Manager/Grant Writer:	
Funding Amount:	
Match Requirement: (cash/in-kind)	
Partnerships:	
Ordinance Date/Number : (Previously approved grants)	
Grant Summary:	

<input checked="checked" type="checkbox"/> _____ (check to acknowledge provision)	PROVISION: Submission of this grant does not obligate the City of San Antonio to accept funds if awarded. The City Manager's Office will make a final determination regarding the availability of cash match requirements.
Submitted By:	Date:
Department Head Authorization:	Date:
IGR Authorization:	Date:
OMB Authorization (Budget Analyst):	Date:
Management Team Member Authorization:	Date:

Request For Council Action (RFCA) E-Agenda Components

- Permits department agenda coordinator or designated user to submit agenda information and attach backup material through web-based system
- Creates a summary memo that will be automatically linked to final agenda
- Automatically generates e-mail notifications to approvers/reviewers, based on established workflows
- Tracks item through approval process to identify delays

Agenda Builder

- Will receive data from RFCA system and automatically "builds" the agenda document based on Council date with links to corresponding backup material
- Enables City Manager staff to produce forecast reports for upcoming Council meetings

Workflow System

- Establishes review and approval order

Standard Workflow Modified for Grant Related Items

- Agenda Coordinator/Originator submits;
 - Workflow Approval:
 1. Department Agenda Coordinator
 2. Other affected departments (if applicable)
 3. Department Head
 - 4. Intergovernmental Relations Department**
 5. Office of Management & Budget
 6. Finance Department
 7. City Attorney's Office
 8. Management Team/City Manager's Office
- A. City Attorney's Office will input caption language
- B. Management Team Member approves item for "draft" agenda
- C. City Manager makes final determination of agenda date

RFCA Authorization Types and Attachments

The attachments required are determined by the type of authorization requested. Attachments below are required documentation for authorization. Departments must plan to attach a proposed budget and personnel complement (if applicable) when requesting authorization to accept grant funds.

Type 1

Requesting authorization for submission of a grant application:

- Grant application (1-4 pages detailing introduction or program overview)
- Grant narrative explaining scope of work (include in memorandum)
- Letter(s) of support (if any)
 - Partners
 - Community
- Any other documentation necessary to support/supplement proposal

Type 2

Requesting authorization for submission of a grant application and acceptance of funds upon award notification (in an amount up to _____); and to authorize proposed budget, proposed personnel complement and execution of all related documents of this grant:

- Grant application (1-4 pages detailing introduction or program overview)
- Grant narrative explaining scope of work (include in memorandum)
- Proposed Budget
- Proposed Personnel Complement (when applicable)
- Letter(s) of support (if any)
 - Partners
 - Community
- Any other documentation necessary to support/supplement proposal

Type 3

Requesting authorization for acceptance of grant funds and execution of contract:

- Contract (terms and conditions)
- Notice of Grant Award (official notification)
- Budget
- Personnel Complement (when applicable)
- Any other documentation necessary to support/supplement contract

Type 4

Requesting authorization to accept an award increase, amendment or contract change:

- Notice of Grant Award (official notification)
- Contract (terms and conditions)
- Budget
- Personnel Complement (when applicable)
- Any other documentation necessary to support/supplement contract

Ordinance Process Timeline

STEP	ACTION	APPROVAL	COORDINATION	TIMELINE
1	Initial research; identification of grant opportunity and data collection	Division Head	Department fiscal officer, and other affected departments	Approximately 5 weeks - 2 months prior to grant application deadline
2	Notify IGR via email of the following actions: All applications/ Notification of awards (any other related actions required for acquisition of grant funds)	Intergovernmental Relations Department	Grant originator and Intergovernmental Relations Department (initiate communication with IGR via email)	Approximately 5 weeks - 2 months prior to grant application deadline (upon confirmation of Division Head approval)
3	Submit Request for Council Action (RFCA) Item: Enter Item into the Request for Council Action System - Add attachments (see pg. 6)	Division Head (submit to Dept. Agenda Coordinator and continue along specified workflow) NOTE: Modify RFCA workflow to include IGR approval after Department Head	Workflow Approval: Department Agenda Coordinator (DAC), and other affected departments, Department Head, Intergovernmental Relations Department, Office of Management & Budget, Finance, City Attorney's Office, City Manager's Office	Approximately 4 weeks prior to Council date (no less than 16 days prior to target Council meeting)
4	RFCA to appropriate Management Team	Management Team (City Manager, Deputy/Assistant City Manager)	Management Team (City Manager, Deputy/Assistant City Manager)	Approximately 2 weeks prior to Council date
5	Agenda Review Meeting -Draft Agenda for following week -Current week agenda is reviewed	City Manager	Management Team (City Manager, Deputy/Assistant City Manager)	Wednesday (8 days prior to Council meeting)
6	Agenda Review Meeting -Current week agenda is reviewed	City Manager	Management Team (City Manager, Deputy/Assistant City Manager)	Wednesday (Day before Council Meeting)
7	City Council Meeting	City Council	City Manager and Staff	Council Meeting B Session (Wednesday) A Session (Thursday)

Finance/AD 8.10
(As of March 1, 2008)

Departmental Responsibilities for RFCA

Originator:

- Authorized to create an agenda item and submit through internal review process
- May view items they have created

Department Agenda Coordinator:

- Develops & maintains all workflow scenarios and authorizations
- Authorized to initiate approval process
- Authorized to reject an item before it goes to Department Head
- View all departmental items in progress
- Train departmental Originators, Reviewers and Approvers

Intergovernmental Relations Department:

- Responsible for the coordination and administration of City wide grant related initiatives, objectives and approving grant related RFCA items.

Office of Management and Budget:

- Responsible for reviewing all agenda items to assure conformance of expenditures with the Annual Budget, Capital Improvement Program, adopted policies of the City Council and City Manager, and sound fiscal and administrative policies.

Finance Department:

- Responsible for reviewing and approving financial information.
- Has the fiduciary responsibility for providing policy and program direction to safeguard the City's financial assets and manage its financial resources in accordance with the goals of the City Council, the City Manager, and in compliance with applicable laws and generally accepted accounting and financial management principles.

City Attorney's Office:

- Responsible for reviewing all agenda items to assure compliance with applicable provisions of state and Federal law and regulations and the provisions of the City Charter. The City Attorney is responsible for preparation of the preliminary Council Agenda and preparation and posting of the regular Council Agenda and any add-on items as directed by the City Manager's Office. In addition, Attorney's Office reviews and develops the agenda posting language.

City Manager's Office-Agenda Coordinator:

- Upon receipt of ordinance requests, the Council Agenda Coordinator consults with the Department Head regarding any questions, problems or suggestions regarding the RFCA. All ordinances passed by the City Council shall take effect at the time indicated in the ordinance, but not less than ten days from the date of its final

passage.

Agenda Review Meeting

Every Wednesday, the Agenda Review Meeting is held in the Media Briefing Room, First Floor of City Hall. Management Team members attend the meeting. Other staff members will be required to attend upon notification by the City Manager's Office. The purpose of the meeting is to review the preliminary agenda for the following week and to consider significant issues which may arise at the Council meeting to be held the next day - Thursday.

Grant Award Acceptance

Award letters are generally sent to the authorized representative who originally signed the grant application (City Manager) or to the submitting department. Grant awards must be approved by City Council via the RFCA process. A "Request for Council Action" to authorize acceptance of a grant award is processed with the amount of the award, detailed financial data, and period of grant or project year. At this time, the budget, personnel complement, and any needed contracts will be submitted to City Council for acceptance. This step may not be necessary if authorization to accept award was granted simultaneously with authorization to apply for grant. When hiring grant project personnel contact with Human Resources is essential to ensure that established human resource policies and procedures are followed.

Master Data

The creation of master data was previously initiated upon entry in the RFCA system for applications. In order to control the creation of master data, new procedures will be in place for master data creation. Master data will only be created during the RFCA process for those grants that have been historically received by the City and are currently in existence. If the City believes that the same grant will be awarded to the City in a subsequent period, master data will be created. Departments will be responsible for ensuring proper expenditures are coded into the respective grant years.

Master data for new grants will not be created until award notification is received from the granting agency. Dollars should not be spent on these new grants until official notification is received.

Obtain Copy of Ordinance

The City Clerk prepares the ordinance, once adopted by City Council, for the Mayor's and City Attorney's signature. Copies of ordinances may be obtained by calling the City Clerk's Office at 207-7253. The City Clerk also uploads the signed Ordinances into the Agenda Builder System, making them part of the supplemental documents through the E-Agenda.

Sections: Request for Council Action (RFCA)

DEPARTMENT:

- Name of Department submitting RFCA. (Automatically populated based on the credentials of the Originator)

DEPARTMENT HEAD:

- Name of Department Head submitting RFCA. (Automatically populated based on the Department Name)

COUNCIL DISTRICT(S) IMPACTED:

- List individual districts impacted or note "City Wide" if city-wide impact applies.

SUBJECT:

- Purpose for submitting RFCA.

SUMMARY

- Description of requested action.

BACKGROUND INFORMATION:

- Provide sufficient information to fully describe project/program. Provide facts, statistics and scope of work/grant narrative.

ISSUE:

- Explain purpose of RFCA.
- Explain benefits of grant and how it will improve and promote city services. Link to department and City mission.

ALTERNATIVES:

- Discuss the viable alternatives that Council has to approving this action; or that have been evaluated by staff.
- The alternatives of taking no action should be outlined from the perspective of any resulting financial or operational impacts. If one or more of the suggested alternatives would substantially alter existing City policy, this should be discussed.
- List alternative plans.
 - May use this section to explain loss if approval is not obtained.

FISCAL IMPACT:

- Indicate amount applied for, if matching funds are required, and the general fund impact.

Sections: Request for Council Action (RFCA) Continuation

RECOMMENDATION:

- Based on the alternatives provided in the Alternatives section above, state for Council, staff's best recommendation for taking action on this item. Also, provide any next steps scenarios if applicable.
- At minimum, note the following: *"Based on the information provided above staff recommends approval"*

ATTACHMENT(S):

- Attach any and all necessary attachments.
 - Refer to the RFCA Attachments section on page seven (7) of this document.

DEPARTMENT HEAD AUTHORIZATIONS:

- Department Head authorizing RFCA.

APPROVED FOR COUNCIL CONSIDERATION:

- Approval to submit RFCA obtained by:
 - City Manager
 - Deputy City Manager
 - Assistant City Manager

RFCA MOCK SAMPLE ON NEXT PAGE

RFCA MOCK SAMPLE



CITY OF SAN ANTONIO Request for Council Action

Agenda Item #
Council Meeting
Date:
RFCA Tracking
No:

DEPARTMENT: Health Department

DEPARTMENT HEAD: Fernando Guerra M.D.

COUNCIL DISTRICT(S) IMPACTED:
City Wide

SUBJECT:
Grant submission to Texas Department of State Health Services for the HIV Prevention funding.

SUMMARY:

This ordinance authorizes the submission of a grant application of approximately \$500,000.00 to the Texas Department of State Health Services (TDSHS) to support the ongoing HIV Prevention Program in the San Antonio Metropolitan Health District (SAMHD).

BACKGROUND INFORMATION:

TDSHS provides annual assistance to the City to support core public health activities provided by the SAMHD. HIV prevention has been an important function of SAMHD for many years and much of the support for these programs has come from TDSHS. However, this funding is not assured and SAMHD must compete with other qualified agencies throughout the State.

This grant application is specifically for HIV prevention programs that target high risk populations. Funding priorities will be given to groups demonstrating strong community ties and with specific experience in serving the targeted group or subgroup. SAMHD has an effective and favorable experience in working with these programs and with at-risk individuals. Moreover, SAMHD has established strong relationships with local community-based organizations which also serve this population. These connections, which facilitate client referrals to other service programs, enhance the grant application.

Presently this grant funds two Special Project Officers and one Health Program Specialist. A successful grant application may allow for this program to be expanded.

ISSUE:

Over 300 new cases of HIV are reported in Bexar County each year. Grant funds are available through the TDSHS to support HIV prevention efforts focusing on at-risk populations. SAMHD has disease prevention as an essential component of its mission and has operated HIV prevention programs since the disease was first identified as a public health issue.

ALTERNATIVES:

If this grant application is not submitted, the current program will be closed at the end of the grant period, September 30, 2007. SAMHD would no longer have a specific program to address HIV prevention.

Finance/AD 8.10

(As of March 1, 2008)

FISCAL IMPACT:

The grant application will be submitted with the intention of supporting and expanding the current program with no demands to the City's general fund. The current TDSHS contract was an eight month renewal of \$200,000.00 for the ongoing HIV Prevention Program at SAMHD.

RECOMMENDATION:

Based on the information provided above staff recommends approval.

ATTACHMENT(S):

Grant Application
Letter of Support

DEPARTMENT HEAD AUTHORIZATIONS:

Assistant Director Health Department

APPROVED FOR COUNCIL CONSIDERATION:

Assistant City Manager

Examples of Posting Language for Ordinances Related to Grants Submissions/Applications, Acceptance and Amendments

Authorizing Submission of a Grant Application

An Ordinance authorizing the submission of a grant application in the amount of \$_____ by _____ (Department) on behalf of the City of San Antonio to _____ (Grantor) for the purpose _____. (Specify program year if applicable-i.e. "for program beginning September 1, 1999 and ending on August 31, 2000")

Example: (from May 27, 1999 City Council Meeting Agenda)

An Ordinance authorizing the submission of a grant application in the amount of \$1,334,000.00 for three years by the City of San Antonio's Department of Community Initiatives, Community Action Division to the U.S. Department of Housing and Urban Development in connection with the Housing Opportunities for Persons with AIDS (HOPWA) Competitive Program.

Authorizing Submission of a Grant Application and Acceptance of Funds upon Award

An Ordinance authorizing the submission of a grant application, and acceptance of funds upon award up to the amount of \$_____ by _____ (Department) on behalf of the City of San Antonio to _____ (Grantor) for the purpose of _____ for the period of _____ (period of grant or program year). (Specify program year if applicable-i.e. "for program beginning September 01, 2007 and ending on August 31, 2008)

Example: (from March 07, 2007 City Council Meeting Agenda)

An Ordinance authorizing the submission of a grant application, and acceptance of funds upon award up to the amount of \$577,106.00 from the Texas Department of State Health Services to support the ongoing Inner City School Immunization Program of the San Antonio Metropolitan Health District for the period September 1, 2007 through August 31, 2008.

Authorizing Acceptance of a Grant Award

An Ordinance authorizing the acceptance of a grant in the amount of \$_____ from _____ (Grantor) to _____ (purpose) for _____ (period of grant or program year. (if applicable include approval of the budget and personnel complement.)

Example: (from July 22, 1999 City Council Meeting Agenda)

An Ordinance authorizing the acceptance of grant funds in the amount of \$100,000.00 from the Texas Department of Human Services to continue operations of the Personal Attendant Services Program administered by the Department of Community Initiatives, Elderly and Disabled Services Division for the period beginning September 1, 1999 through November 30, 1999

Amending Previous Grant Award Acceptance

An Ordinance amending Ordinance No. _____, passed and approved on _____ (date of ordinance previously authorizing acceptance) which accepts a _____ grant for _____ (program) by increasing the budget by \$ _____. For a total budget amount of _____.

Example: (from June 24, 1999 City Council Meeting Agenda)

An Ordinance amending Ordinance No. 89114 passed and approved on January 21, 1999 accepting an Office of National Drug Control Policy (ONDCP) High Intensity Drug Trafficking Area (HIDTA) grant for the South Texas Intelligence Center by increasing the project budget by \$239,010.00.

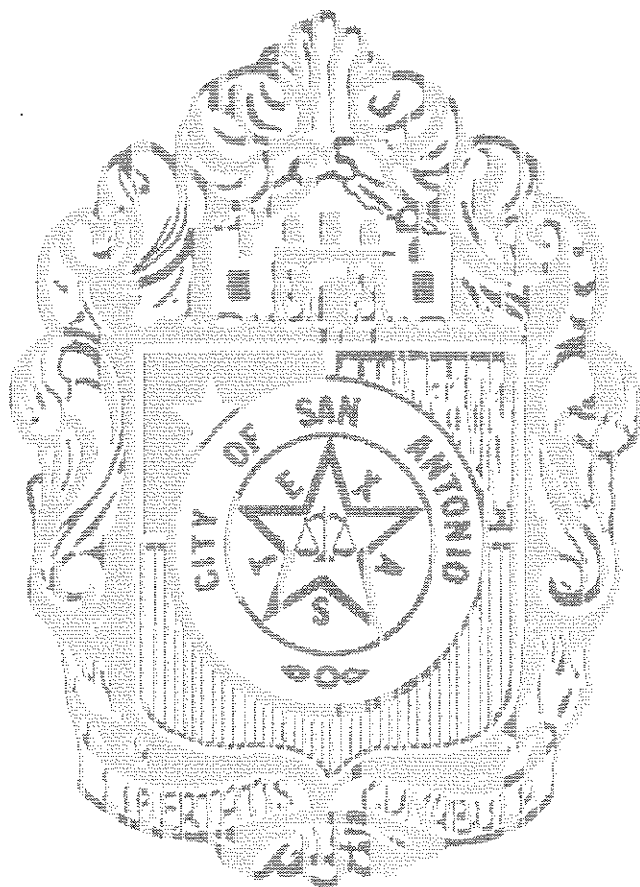
Resolution to Support another Entity's Grant Application

A Resolution supporting the application by _____ (Entity) to _____ (Grantor) for \$ _____ to _____ (purpose).

Example: (from May 13, 1999 City Council Meeting Agenda)

A Resolution supporting the application by the San Antonio Development Agency to the State of Texas for \$500,000.00 in State Home Funding to support San Antonio's Housing Rehabilitation Program.

“The procedure established is intended to provide adequate review by the City Manager and the appropriate Departments to ensure sound policy recommendations to the City Council.”



This document was prepared by the Intergovernmental Relations Department. For questions, or clarification please contact Sally Basurto at 207.7197 or via email at Sally.Basurto@SanAntonio.gov.

Finance/AD 8.10

(As of March 1, 2008)

**Administrative Directive 8.10
Grants Management
Grants Checklist for Grant Department**

Grant Name: _____
 Grant Award: _____
 Funding Agency/CFDA: _____
 Period of Availability: _____
 If approved, order number(s): _____

Grant Initiation:	Date Action Occurred
1. Grant Department informed Department Head of grant opportunity	_____
2. Grant Department informed Intergovernmental Relations Department of grant opportunity	_____
3. Approval was granted from Department Head to pursue Grant	_____
4. Coordination occurs with Intergovernmental Relations Department in application process	_____
5. Request for Council Action is initiated	_____
6. List date and ordinance number of passage:	_____
7. Is this a continuation or a new grant?	_____
If continuation, request master data immediately.	_____
If new grant, cannot request data until formal award notice is received.	_____

Post Award Activities:

8. Date contract and award letter is sent to Finance. _____

9. If personnel component, create position number in SAP _____

10. Coordinate with Budget, HR Recruitment, HR Generalist to release position and ready for advertising _____

11. Validate budget in SAP matches budget submitted to grantor and ordinance _____

12. If carryforward dollars from prior year, ensure original budget equals grant award, and revised budget equals grant award plus carryforward dollars _____

13. Inform internal service departments of internal order number changes, if applicable _____

14. If continuation grant with personnel, Organizational Chart maintainer must update master data with new internal order _____

15. Validate master data that was set up is accurate in system _____

Monthly and Quarterly Activities:

16. Run grant report in SAP minimum monthly to view activity and validate expenditures and revenues _____

17. Validate that expenses are accurately charged to the correct grant and order. _____

18. Ensure all matching and in-kind entries are booked prior to month end close. _____

19. If fixed asset was purchased, ensure asset shell is created. _____
 Enter Asset Shell Number _____

20. If fixed asset was below \$5,000, ensure asset shell is created, indicating tracked property. _____
 Enter Asset Shell Number _____

21. Validate personnel charges are charged to the proper grant. _____

22. View capital projects funded by grants to ensure proper funding. _____

23. Validate that activity in grant funded capital projects are limited to expenditures and transfers in. Federal and state grant dollars should NOT be directly deposited into capital projects. _____

24. For draws, initiate sales order prior to draws. Keep all documentation for audit purposes. _____

25. Ensure sales orders are populated with internal order versus functional area. _____

26. Ensure all checks received from grantors are deposited upon receipt and are properly reflected in the system. _____

27. Three to five days after draw, validate cash was properly debited to grant fund. _____

28. Validate all prior draws' cash was received. _____

29. Reconcile and research all open sales orders. Delete duplicates. _____

30. Reconcile and research all open payables. Validate they are incurred within availability period. _____

31. Send copies of all quarterly or monthly reports sent to the grantor to Finance. _____

Year End Activities

32. Validate all prior draws' cash was received. _____

33. Reconcile all reports submitted to grantor to SAP to ensure proper year end reporting. _____

34. Reconcile and research all open sales orders. Delete duplicates. _____

35. Reconcile and research all open payables. Validate they are incurred within availability period. _____

36. Reconcile all reports submitted to grantor to SAP to ensure proper year end reporting. _____

37. Validate all invoices for goods, services, and subrecipients for activity before October 1 are properly recorded in the prior fiscal year through period 12 (if opened) or in a journal entry parked by Finance in periods 13 through 16. _____

Grant Close Out Process

38. Communicate with Wage and Hour to ensure compliance with Davis Bacon _____

39. Notify Finance to lock internal order. _____

40. If extension is granted, send copy to Finance to change master data information. _____

41. Liquidate encumbrances, purchase requisitions, and purchase orders on closed grants. _____

42. Keep checklist in Department in Grant Folder for proof of compliance _____

Other

43. Communicate any monitoring or review visits on grants to Finance upon notification from agency _____

44. Ensure Finance personnel is present at entrance and exit meetings regarding monitoring or reviews. _____

45. Send final report to Finance that comes from monitoring or review visits. _____

City of San Antonio
ERM SAP
Grant Internal Order Request Form

☐ ADD ☐ CHANGE ☐ Expire\Lock Date Required:

Requestor Name:	Title:	Department Name:	Phone #:

Order Type:

☐ Operating Grant (1)

Internal Order Name maximum 40 characters	
---	--

Business Area	
----------------------	--

Functional Area (Service Effort) #	Non Grant 12 digits Grant 16 digits
Functional Area Title (maximum 25 characters)	Required if this is for a new Functional Area

For Grant Internal Orders

CDFA #	
Contract #	
Begin Date/Work Start	
End Date/End of Work	
Close out period	
Group	
Ordinance Initiating Grant	
Subsequent Ordinances	
Contract to Finance (Y or N)?	
Award Letter to Finance (Y or N)?	
Prior Year order	
IDIS Number	

Person Responsible:

Name:	
COSA login:	

SAP Existing Fund	
--------------------------	--

(If none exist fill out Fund Request Form)

Note: If Grant has personnel compliments then fill out the positions request form.

Justification or Reason Required (fully explain the purpose for this request and the intended use in as much detail as possible):

PROJECT DAVIS-BACON CHECKLIST TO VERIFY MEETING ALL FEDERAL REQUIREMENTS

Project Title/Location: _____

Submit all documents to:

Capital Improvements Management Services
Wage and Hour Division

Date Completed: _____

- _____ 1. Request a Wage Determination: Call Thomas Nixon, CIMS, Wage and Hour Division, at (210) 207- 8774 or e-mail Thomas.Nixon@sanantonio.gov

‘ MN05 (Highway) ‘ MN07 (Bldg.) ‘ MN0061 (Heavy/Sewer) ‘ MN62 (Residential)

Effect. Date _____ Effect. Date _____ Effect. Date _____ Effect. Date _____
- _____ 2. Advertise for Bids: Must Advertise within 10 days of receiving wage decision. All Bid packet must include “Wage Determination” & “Federal Labor Standards Provisions (HUD 4010)” for contractors reviews. Also make available “Contractors Guide to Davis Bacon” publication. Maintain copy of the bid publication and bid documents in procurement records.
- _____ 3. Contact the Wage and Hour Division within 10 days prior to the Formal Bid Opening Date to determine if the wage decision has been modified.
- _____ 4. Award Contract: Contract must be awarded within 90 days of the formal bid opening date. If more than 90 days elapses, Department must obtain new wage determination. Include the Wage determination as an Exhibit to the Contract.
- _____ 5. Department must notify Contractor of requirement to post current wage decision & Employee Notification Poster where all employees can readily view it during working hours
- _____ 6. Employee Interviews and payroll review will be conducted by the Public Works, Wage and Hour Division. Contractors/subcontractors are to submit certified payrolls weekly for all employees on site to Public, Works, Wage and Hour Division.
- _____ 7. Reimbursement Request: Before reimbursement of any grant funds, ensure that the above actions have been satisfied and the following original, signed documents to be received:
 - _____ a. Bid Documents
 - _____ b. Executed Contract with wage determination and HUD 4010 included
 - _____ c. Signed Contractor/Subcontractor Certification
 - _____ d. Weekly Certified Payroll Reports

Administrative Directive 8.10
Grants Management
Subrecipient Checklist to Verify Meeting All Federal Requirements

Subrecipient Name: _____
 Subgrant Award Number: _____
 Subgrant Award Amount: _____
 Subgrant Award Period: _____

	Initials	Date
One time action		
1) Subgrant award contract includes the following items:		
- Program Title	_____	_____
- Program CFDA # (if Federally funded)	_____	_____
- Federal Agency (if Federally funded)	_____	_____
- Award Name	_____	_____
- Award Amount	_____	_____
- Award Period	_____	_____
- Description of passed through requirements (e.g. Matching, Eligibility determinations, Reporting requirements, Special Tests & Provisions, etc.)	_____	_____
- Certification of subrecipient not being suspended or debarred	_____	_____
Monthly/quarterly actions		
2) Annual monitoring of subgrant award contact including:		
- Monthly expenditure reports to ensure items purchased are in line and within subgrant award amount and period	_____	_____
- Quarterly and/or annual financial/special or performance reports on subgrant	_____	_____
- Annual calculation of matching requirements to determine if met (if applicable to subgrant)	_____	_____
Annual actions		
3) Annual review of subrecipient's Single Audits:		
- Confirmations of whether Single Audits are required and performed (see attached sheet)	_____	_____
- Receipt of Single Audit Reports within 9 months after subrecipient's fiscal year end	_____	_____
- Review of Single Audit Report within 3 months after reports are received	_____	_____
- Issuance of management decision on noted findings within 6 months after report's receipt	_____	_____
- Subrecipient's corrective action reviewed within 1 year after prior report's receipt	_____	_____
4) Annual risk assessment process performed and documented on subrecipients:		
- Take into account audit findings, subgrant award amount, length of relationship with City public news, complexity of program/subgrant, etc.	_____	_____
- Risk assessment is documented with point ranking system	_____	_____
- Various levels of monitoring are performed based on subrecipient's ranking score	_____	_____
- Higher rankings receive site visit during the current fiscal year with more detailed procedures performed	_____	_____
- Mid rankings receive desk reviews during the current fiscal year	_____	_____
- Lower ranking continue normal communications with no additional reviews or visits during the fiscal year (unless issues change during the year that would have altered the risk assessment had it been known earlier)	_____	_____
5) Subrecipient grant close out		
- Ensure final invoices are received within 75 days of subgrant award but no later than 90 days after the Original Grantor's award period end date.	_____	_____
- Review final invoices for allowability and within subgrant period award. Indicate FINAL on bill/invoice.	_____	_____
- Close out grant award after final invoice received within above requirements has been paid.	_____	_____
- If unspent funds left in subgrant document one of the following:	_____	_____
- Formally document an extension of award period to subrecipient through subgrant ammendment	_____	_____
- Reassign unspent funds to other subrecipients	_____	_____
- Include unspent funds in new subgrant with existing subrecipient	_____	_____
6) Sanctions and/or holds		
- Include applicable verbiage for sanctions and/or holds in subgrant contract	_____	_____
- Based on review of monthly expenditure reports, risk assessments, audits performed, etc. formally inform subrecipient of corrective actions and timeline to complete noted issue or holds or other sanctions will be placed on future fundings	_____	_____
- Impose holds or other sanctions if needed based on continued breach of subgrant agreement, including and up to cancellation of subgrant and reallocation of funding	_____	_____